



First Union Rail Corporation
NC5811
Commercial Leasing Group
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018
Tel 847 318-7575
847 318-7588

RECORDATION NO. 22145C FILED

FEB 25 '03

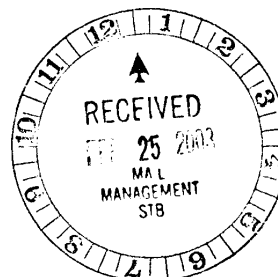
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SURFACE TRANSPORTATION BOARD

VIA UPS 2nd DAY AIR

February 21, 2003

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment



Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals and one (1) copy of a Memorandum of Lease Agreement, dated January 24, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed on this date with the Commission under Recordation Number 22145.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Southwest Rail Industries, Inc.
601 South East Street
Weimar, TX 78962

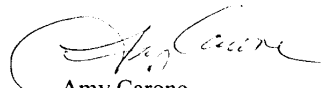
A description of the railroad equipment covered by the enclosed document is twenty (~~20~~³) 4750 cubic foot capacity covered hopper cars, with FURX and NDYX marks (See Exhibit A for numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,


Amy Carone
Manager of Documentation

Enclosures

(SRII012)

RECORDATION NO. 22145-C FILED

ASSGN. NO. SR11012

FEB 25 '03

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MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 24th day of January, 2003, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Southwest Rail Industries, Inc. ("Lessee"), a Texas corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of June 1, 1993 as amended July 1, 1997 as assigned thereto, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 6 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of November 19, 2002 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR
Vice President Sales & Marketing

Title: _____

By: A.A. Dobrowski

Name: A.A. DOBROWSKI

Title: DIRECTOR OF DOCUMENTATION Executed on this 24th day of Jan., 2003.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

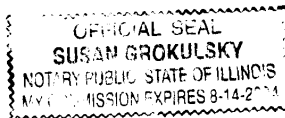
I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 24th day of January, 2003

Susan Grokulska
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



LESSEE:

SOUTHWEST RAIL INDUSTRIES, INC.

By: Jason F. Huette
Name: Jason F. Huette
Title: Sales & Marketing

ATTEST:

By: _____
Name: _____
Title: _____

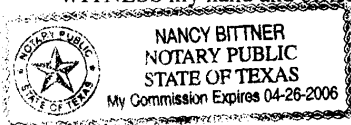
Executed on this 10th day of January, 2002.

[CORPORATE SEAL]

STATE OF Texas
COUNTY OF Colorado

I, NANCY BITTNER, a Notary Public of the County and State
aforesaid, certify that Jason F. Huette personally appeared before me this day and
acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 10th day of January, 2002.



Nancy Bittner
Notary Public

Commission Expires:

4-26-06
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Twenty-three (23)

DESCRIPTION OF CARS: 4750 cubic foot capacity covered hopper cars, equipped with gravity gates, hatch covers and vibrator brackets.

CAR NUMBERS: See below:

FURX	818450
FURX	821481
FURX	827081
FURX	828982
FURX	829426
FURX	829451
FURX	832157
FURX	832172
FURX	832185
FURX	832186
FURX	832191
FURX	832194
FURX	839330
FURX	839337
FURX	839338
FURX	839343
FURX	839358
FURX	839368
FURX	839376
NDYX	475056
NDYX	475097
NDYX	475119
NDYX	475121
Count:	23